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TAGS: AMGT ECON EINT MU

SUBJECT: OMAN: RISING WAGES DEVASTATE EMBASSY LES RECRUITMENT

¶1. (SBU) On November 2, private English-daily "Times of Oman" reported that private-sector wages are predicted to increase by six percent in 2010. This increase mirrors a six percent increase over the last twelve months of 2009. Oman witnessed significantly higher salary growth, ten percent, in 2008, which was attributable to the higher price of oil and the resulting dramatic inflation.

¶2. (SBU) COMMENT: Several years of increases in private sector wages is undercutting Post's ability to compete with Omani employers. Post has several vacant positions, and although numerous applications have been received, there is a dearth of qualified applicants. Qualified applicants are not interested in U.S. Embassy jobs which pay significantly less than private Omani firms. END COMMENT.

Schmierer